

A BRIEF HISTORY OF NEW JERSEY'S MOTOR VEHICLE SERVICES

From the beginning in 1906 to the Appointment of C Richard Kamin
as Director.

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1906 THE BEGINNING

The New Jersey Department of Motor Vehicles was established in 1906 to promote highway safety. This was accomplished by registering and licensing vehicles and drivers, conducting spot checks to enforce existing equipment regulations and regulating the use and speed of vehicles. The Department of Motor Vehicles was first housed in the Office of the Secretary of State.

Eight employees, a chief inspector and seven assistants served under the first commissioner, J.B.R. Smith. Three of the assistants were paid \$3 a day, through December 1, when their services were terminated for the winter. The other four assistants were volunteers who served without compensation.

Registration fees were \$3 for vehicles with less than 33 horsepower and \$5 for more powerful vehicles. Driver licenses were \$1 for vehicles having less than 33 horsepower, and \$2 for those with more. License plates were provided by the vehicle's owner, and by law the plate had to be maintained and kept clean, an almost impossible task in those days of dusty unpaved roads.

During the first year, three full-time agencies were opened: in Jersey City, in Camden and in Newark. Fifteen other part-time agencies were established throughout the state. In 1906, 13,759 vehicles were registered and 15,269 drivers licensed. The gross revenues of the Department were \$67,073.

The following year a second motorcycle was purchased for the inspector force, and in 1908, the state began supplying its own vehicle identification markers, as license plates were known then.

THE TEENS, THE EARLY YEARS

In the early years each municipality had its own motor vehicle laws. Because of the chaos this caused, in 1914 New Jersey established uniform traffic laws. The following year, the

state published the first statewide record of traffic fatalities. There were 241 traffic deaths.

In 1916, the state began making license plates at the State Prison, a practice continued today.

During the teens, agents were paid 16 cents a document on a piece work basis. Because of the sharp increase in the number of drivers, 175 field agencies were established and the public expressed concern about the large amount of money being paid to agents. As a result the payment system was changed to a flat annual payment to agents, based on the previous year's revenues.

THE 1920S AND DRUNK DRIVING

By the early 1920s drunk driving had become a public problem. In 1921 there were 430 drunken driving convictions, 322 traffic fatalities and almost 300,000 licensed drivers in New Jersey.

During the 1920s, the popularity of the automobile soared, and by 1926 the Motor Vehicles Department was one of the largest operations of state government. That year the legislature removed Motor Vehicles from the Office of the Secretary of State and made it a separate department. There were almost 740,000 vehicles in New Jersey by 1926.

1930S INSPECTIONS BEGIN

A voluntary automobile inspection system was begun in 1928, but it was a dismal failure. It was not until 1938, when New Jersey opened 28 motor vehicle inspection stations and made inspections mandatory, that the inspection system became effective. Inspections apparently greatly increased traffic safety. In 1937, 1,278 fatalities were recorded. In the following year, after required inspections were instituted, fatalities fell to 865.

1940S THE WAR YEARS

During the war years, gasoline rationing was in effect and new car sales fell. In 1944 new car sales in New Jersey were 164,311. That year the legislature restructured state government, and the Department of Motor Vehicles became a division within the Department of Law and Public Safety, where it remains today.

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1950-1970S THE GROWTH OF SUBURBIA AND THE AUTOMOBILE

When the soldiers came home, a family, a home of one's own with a white picket fence, a dog in the yard and a car in the driveway became the American dream. New Jersey participated in that dream. By 1953 a total of 1,900,829 vehicles were registered in New Jersey, and there were 2,185,554 licensed drivers. Total revenue of the Division was \$49,919,896.

In the 1950's the number of private agencies decreased because of major processing changes. This prompted recommendations to change to a system of state operated agencies. This policy was adopted during the Meyner and Hughes administrations, with the operation of local agencies being taken over by the state when agents resigned. This policy was reversed under the Cahill administration, following the adoption of new procedures in 1971.

1980S AND REFORM

During the early 1980s, it was recognized that the division, with more than 20 million contacts with the public a year, was the most visible agency of State Government. It also was the largest source of non-tax revenue for the state. Early in 1981, the Attorney General released a report, "Progress and Promise for Reform," that emphasized restructuring the division to improve management practices.

At that time all processes at DMV's field agencies were entirely manual, and many motorists complained that DMV people were rude and incompetent, that vehicle inspection lines were too long, and central headquarters at Trenton was too difficult to reach for those living in the northern and southern parts of the state. Many also complained that it was almost impossible to telephone the Division to solve a problem. The Public Advocate's Office described DMV as a "Bureaucratic Nightmare-Jungle" and complaints filed against the division with state legislators, and with the Department of Consumer Affairs, reached alarming numbers.

The early reform effort was instrumental in starting a number of improvements. In 1981 the Division began automating the more than 50 motor vehicle agencies, and in 1982 began a photo license program. In September 1983, the Division inaugurated a modern, computer driven telephone answering system which, from its earliest days, was able to handle approximately 87,000 calls a month, about 37,000 more than before.

The reform effort also led to commissioning the consulting firm of Price Waterhouse to draft a five-year Master Plan, a blueprint for a total modernization of the Division's data

processing operation. The original computer programs had remained basically unchanged since they were first put in place in the early 1960s.

PUBLIC/PRIVATE INSPECTIONS INSTITUTED

In November 1983 the dual public/private inspection system was instituted which allowed drivers to have their automobiles inspected at licensed private garages (PICs). This program, designed to alleviate ever growing lines at the State's vehicle inspection stations, was probably one of the most popular steps in changing New Jersey's inspection system. In 1986 the dual system became a permanent part of the law. On the average approximately 20 percent of drivers use private inspection centers, while 80 percent prefer the free State inspections.

In another attempt to reduce waiting lines at inspection stations, especially since environmental clean air regulations required that commercial vehicles also receive annual inspections, the Division launched a four-year construction program. This would increase the number of vehicle inspection lanes from 68 to 85.

By 1985 there were 5.2 million drivers and 5.5 million registered vehicles in New Jersey. Traffic fatalities numbered 955. The total revenues for the Division were \$414 million dollars. By 1985, all agencies were automated, and ten new road test centers had been opened.

SYSTEMS CRASH

After the Master Plan was completed in 1983, the Division entered into a \$6.5 million dollar contract with Price Waterhouse to implement the plan. The redesign of the computer system was to produce a fully integrated database, the Comprehensive System, tying all records relating to an individual, (driver license, vehicle title, vehicle registration, automobile insurance information, insurance surcharge record, and violation record), to one central number: the driver license number. While masterful in concept, when it was implemented during the summer of 1985, it became apparent that the new system had serious deficiencies which were creating numerous errors and monumental backlogs.

The basic problem was the fourth generation computer language, known as IDEAL, which was used to write the majority of the programs in the new system. It couldn't operate as quickly or support as many terminals as had been anticipated. To remedy the problem many of the programs had to be rewritten by Price

Waterhouse in an older and faster computer language, COBOL.

The negative publicity that followed the system's failure was further heightened when the press revealed that the division had bypassed competitive open bidding procedures and had awarded the contract for the building of the Comprehensive System to Price Waterhouse through a bid waiver, and that Price Waterhouse had later made contributions to Republican party fund-raising affairs. The "DMV mess" became one of the most widely discussed issues during the gubernatorial campaign in the fall of 1985.

REBUILDING WITH A CUSTOMER SERVICE ORIENTATION

At the beginning of his second term in January 1986, Governor Kean appointed his Chief Council, W. Cary Edwards, to become New Jersey's Attorney General, and on March 24, Edwards announced steps that would lead to a revitalization of the Division of Motor Vehicles. These steps included the selection of Glenn R. Paulsen as the Director of the Division and Christine R. Cox as Deputy Director and Chief of Staff. Deputy Director Cox was to spearhead an Intergovernmental Strategic Planning and Implementation process to rebuild the Division.

The computer breakdown in July of 1985 which crippled Motor Vehicle operations was addressed, and the Division took on a new customer service orientation. "How Can We Help?" became the symbol of Motor Vehicle's service goal. A Customer Service Pledge was written and customers were asked not to judge the Division by its mistakes and problems, but rather by how courteously, efficiently and responsively the mistakes were corrected. Agency employees were trained to be more customer-sensitive and to act with efficiency, accuracy and compliance with procedures. For the first time, employee compensation levels were commensurate with their job responsibilities. Customers who visited a motor vehicle agency were asked to complete a "Customer Report Card" rating overall service.

In April 1988, Motor Vehicles installed toll-free, "800" telephone service, eliminating the need for in-state callers to pay to resolve most motor vehicle related problems. By dialing the new toll-free numbers, motorists could receive information on everything from the location and operating hours of local inspection stations to specific information on driver license suspensions, restorations and surcharges. For callers who were unable to phone Motor Vehicles during the day, a prerecorded, interactive, after-hours message system was made available. To handle the 13,000 to 17,000 calls Motor Vehicles receives daily, the size of the telephone center staff was increased greatly. The result was minimal busy signals and holding times.

Some of the other major improvements resulting from the rebuilding process included; tamper-resistant, durable license and registration documents; three new regional service centers, so that drivers could solve motor vehicle problems without having to travel all the way to Trenton; plans for 52 modern, spacious, model agencies with ample parking; the correction of more than 500,000 computer errors, which had resulted in motorists not receiving renewal applications by mail; the initiation of a new boat titling program; and the change of name from the Division of Motor Vehicles to Motor Vehicle Services.

Major behind the scenes modernization efforts included; purchasing new high speed remittance processor equipment to enable MVS to handle vastly increased mail issuance of license and registration documents, the widespread use of fax technology to transmit detailed records stored at the central microfilm unit to Regional Service Centers; and a thoroughly modernized mail processing operation using high speed mail inserters and sorters.

1990S AND LEAN BUDGETS

In 1990, with the beginning of the Florio administration Clinton Pagano, long time Superintendent of the State Police was appointed DMV Director. Michael Santaniello, was appointed as Deputy Director.

During this time the nation entered into a severe economic downturn and state revenues that had supported change and improvement were no longer available. Some initiatives that had been implemented were curtailed if not eliminated completely due to lack of funds. The toll free 800 line was discontinued, job freezes were put into effect, overtime discontinued, and major staffing problems were encountered in all areas of the division.

Hours of service at the inspection centers were cut back and Saturday hours were eliminated. The cut in hours and the long lines that resulted led to widespread criticism. Funds were quickly found to reinstate evening and Saturday hours in the inspection lanes.

In 1991 Director Pagano, resigned and shortly thereafter Stratton (Skip) Lee, a former Director of OTIS who had helped to get MVS back on its feet after the crash was appointed Director.

Lee's first major challenge was to manage the retesting of all of the state's commercial drivers (approximately 350,000) in order to institute a single national Commercial Drivers License (CDL). This major project was accomplished by the deadline, April 1992.

Director Lee, who had earned an MBA from Harvard, focused his administration on many new initiatives intended to increase revenues to the State and the Division. A major emphasis was to increase Insurance Surcharge collections. One means of accomplishing this was to offer customers the choice of using a credit card to pay the insurance surcharge payment over the phone. Another revenue raiser is expected to be an enhanced collection effort that will seek to use the courts to collect unpaid surcharge debt.

Lee also saw the sale of license plates as a source of revenue. During his tenure the state moved to seven character license plates that were reflectorized. Shore protection, Wildlife Conservation and Animal Welfare plates were also offered, with the income raised from the selling of these special plates going to specific dedicated funds.

During his term a fourth Regional Service Center opened at Eatontown, and more agencies were converted to model agencies.

MAJOR NEW PROJECTS

In March of 1994, Director Lee announced that he was leaving Governor Whitman's new administration to join Lockheed Information Systems. C. Richard Kamin, Assistant Majority leader of the Assembly was appointed to replace Director Lee.

At this writing a number of major projects face the new Director. These include establishing an executive information system, implementing the Enhanced Surcharge Collections effort, and implementing the Inspection/Maintenance provisions of the Clean Air Act which will involve massive changes to the State's emissions inspection system and the Division's data processing system.

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Appl. Planning*

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HISTORICAL BACKGROUND

History DM

The Inspector Force was created in 1906 for the specific purpose of functioning as the enforcement arm of the Commissioner of Motor Vehicles with the additional assignment of acting as the liaison medium between the State Government and local police organizations. The primary mission was to promote highway safety through regulating the use and speed of motor vehicles. Although the law was amended in 1921, and again, in 1926, and once more, in 1936, the basic concept remains the same. It is all too evident that the law was well founded for today, 50 years later, a large part of the original provisions are still in effect.

It is significant that this early Legislature recognized the need for a specialized unit to provide the skillful enforcement which would successfully implement the new law. It is also significant that this farsighted Legislature, in creating the Motor Vehicle Inspector Force, established a formula of one paid Inspector for approximately each 5,000 registered vehicles. This ratio was maintained with excellent results until about the end of World War I.

After World War I, the Inspector Force was permitted to expand slowly and struggled to keep pace with the rapid increase in the work load. By 1936, the ratio of paid Inspectors to number of registered motor vehicles was one to 13,000. About this time, the public was becoming alarmed at the increasing traffic fatality rate and it was becoming a common sight to see signs along the State highway reading, "3 killed daily." Interstate traffic had increased by leaps and bounds and one State highway, then referred to as the "super highway," between Trenton and Newark, was being renamed "death highway." The Legislature began to feel the pressure of public opinion which was rapidly reaching a point where recognition must be given. In casting about for some immediate relief, it was only natural that the Governor and the Commissioner of Motor Vehicles should turn to the specialized enforcement services of the Inspector Force.

These officials knew full well that the Inspector Force, although small in number, was great in skill and could give its full attention to the job at hand without diverting influences, such as, a prowler in a hen house or the locating of a strayed dog. With 30 years of successful highway patrol experience behind it, the Inspector Force, in August 1937, put a 25 man around the clock patrol on "death highway" with orders to enforce the law without fear or favor and to give every assistance possible to motorists in trouble. It is significant to note that these men were given this assignment without the benefit of protection, such as, firearms. They also furnished their own uniforms. (The firearms were furnished by the State in 1941, and the uniforms were not supplied by the State until 19 .) They operated alone in all kinds of weather, daylight and dark.

In just a few months, the results were apparent in the great reduction in serious accidents on this deadly road, and the example of rigid and impartial enforcement set by this small group of skilled officers established the pattern which was followed from then on. This single effort will always be mentioned in any story of traffic safety advancement. The action of this group inspired others to put forth greater effort throughout New Jersey, and as a result, the yearly death toll has never reached the peak that was attained prior to the Commissioner's action in August of 1937.

Unfortunately, the great and unusual effort has not been recognized by the right people. Although the order was issued 19 years ago, effectuating this patrol, it is still operated today with the same number of men in the same general area.

A brief statement by Commissioner William L. Dill, in his 1916 report to the Legislature, epitomizes the conduct and ideals of the Inspector Force over the past many years, "To the Inspector Force, especially great credit is due

for the unselfish manner in which they have discharged their duties. Frequently, they have been called upon to work twenty hours a day, and in all kinds of weather have unflinchingly met every demand made upon them by the motoring public. They have served the State well." Today, forty years after Commissioner Dill's statement, the Inspectors are averaging $2,718\frac{1}{2}$ hours per year as compared with an average of 1750 hours for the average State employee.

In private industry, such close attention to duty and efficient service would be promptly and generously rewarded. All the Inspector has received for his selfless and efficient service to the State is not much more than the personal satisfaction of a job well done. Salaries have always been inadequate for the skills involved, and hours have been uncertain. Promotion opportunities within the Force have always been so few as to offer little or no incentive. Recently, promotion tests were held but the eligibility lists were allowed to expire with no promotion having been made.

During the past twenty years, there have been constant threats to the job security of the Inspector Force and its future is continually under a cloud of uncertainty which seems to have reached the apex within the past year.

It was remarked ^{above} ~~about~~ that the efforts of this small but highly skilled group was not recognized by the right people. This is a slight error. In 1953, General H. Norman Schwarzkopf, the then Executive Assistant to the Attorney General and former Superintendent of the New Jersey State Police, and an outstanding authority in police circles the world over, recognized the value of the specialized skills of the Inspector Force. He was able to secure legislative approval of funds to establish a patrol of about 100 additional Inspectors on State highways which were experiencing a high accident rate in urban areas. It suddenly occurred to the advocates of highway safety that here was recognition being well placed. However, these funds were later diverted by Governor's

Directive and used to further expand the State Police in rural areas. This was done in spite of the common knowledge that rural areas are fast becoming urban areas with the attendant increase in municipal police organizations. Notwithstanding such almost unbelievable treatment, the Inspectors continued to do the best possible job, although handicapped by inadequate equipment and a steady reduction in the number of personnel. There is little wonder, then, that the group morale has been forced almost to the zero point.

DESCRIPTION OF BROAD FUNCTIONS AND AIMS

The enforcement area is generally divided into three broad categories, viz., driver's examinations, investigations, highway patrol.

The law provides that no person shall be licensed to drive in New Jersey until he has passed a satisfactory examination as to his ability to operate. This examination is administered by members of the Inspector Force. There are many different kinds of examinations, depending upon the type of operation the applicant intends to do. For example, there is a test for the regular driver's license, there is an examination for a license to instruct persons who desire to drive, also, there is a special test for determining a person's ability to operate a bus while carrying passengers. There is also a complex procedure for reexamining persons who have been driving but have been experiencing difficulties.

The Investigative activity covers all matters to be investigated for the Division. These run all the way from "routine," such as collecting a revoked license or registration, to the most complex, such as, uncovering a motor vehicle theft ring.

The function of highway patrol is divided into two parts. One group provides a 24-hour steady patrol in a designated area, the other, patrols in assigned areas but during designated hours and on certain days of pronounced traffic density. In all of these functions, the Inspector Force works in close liaison with local police organizations. There is no friction. The Inspector is always welcome because he has operated, since the inception of the Force some fifty years ago, with the one concept that the Inspector's authority does not supercede that of the local officers but is in addition to it.

In addition to the three categories described above, the Inspector Force also performs other important functions. Examples are: Instructors at police schools, safety education work, public relations, traffic engineering assignments, such as, representatives at special events, etc., demonstrating equipment and techniques used in examining applicants for drivers' licenses.

PRESENT DEFICIENCIES

The administration of the driver's license examination is handicapped by the lack of personnel, equipment, and inadequate headquarters. This condition has persisted throughout the years and poses a constant threat to the stability of the function.

Improvements have been few and far between. The great majority of these improvements have been made by the Inspectors themselves, who, for some unknown reason, give freely of their own time and efforts to improve the system.

Perhaps the reason is that men who struggle so much to advance their skills, are prodded by their personal pride to do the best job without thought of financial recompense. It could be, too, that the men are making every effort to give the service to the public to which it is entitled, and, at the same time, conceal the fact that their efforts are not recognized by their superiors. Certainly, they receive little encouragement. The examinations are conducted under the most adverse conditions. The quarters, in addition to being inadequate are obtained without charge to the State. Many times the Inspectors have been forced to close the examination for the lack of space to operate because the owners had other and more demanding uses for it. There is always fertile ground for poor relations with the public. The Inspectors are compelled to maintain good relations under conditions which are next to inhuman. No other group is asked to bear so much. It is a fine testimony to their extraordinary skill when we find in the records that they examine nearly a quarter million applicants yearly with so few complaints.

The investigation effort is tremendous for such a small group. During the past year, the Inspector Force completed 10,040 investigations for the Division. These were of all degrees of complexity. In numerous instances, they assisted other agencies, federal, state, and local, without receiving any extra credit. There are 18 Inspectors who concentrate their efforts on investigation work. Even today, they are forced to clothe themselves (they operate in plain clothes,) arm themselves (the State issues only a 6" barrel revolver - much too cumbersome for plain clothes work) and, until very recently, paid all incidental expenses incurred in connection with their work. All of these men have bought typewriters with their own money, in order to be in a position to present legible reports.

The highway patrol is conducted under the most adverse conditions. The men are required to patrol alone at night without benefit of radio. Only one-third of the cars are radio equipped. The men who work all night are practically isolated except for radio contact with adjacent cars since the State radio system is practically inoperative after midnight. These men carry out a very successful operation (still on an order issued in August of 1937) without benefit of a field headquarters and without direct communication to either the central office or to superior officers. In almost every instance, with the exception of examinations, the men work alone and are forced to depend upon their own resources. The Inspectors are compelled to make decisions which rightfully should be made by superior officers. No Inspector should be required to function without benefit of supervision. His duty assignment under the law does not require him to make decisions which he is presently called upon to render. In spite of this condition, the Inspectors have made so few mistakes in decisions that they are not even a matter of record.

Although these men operate alone, and under conditions which are far from ideal, they have never avoided their assigned responsibilities. The records are filled with reports of apprehensions of murderers, fugitives, robbers, motor vehicle thieves, etc. Most certainly, this is a glowing testimony to their ingenuity and resourcefulness.

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